



Nexus Select Trust

Policy Title	Policy on Related Party Transactions (“ Policy ”)
Entity	Nexus Select Mall Management Private Limited (formerly known as Nexus India Retail Management Services Private Limited) (“ Manager ”) in its capacity as manager of Nexus Select Trust
Applicability	This Policy shall be applicable to related party transactions of the Nexus Select Trust (acting through the Manager) with related parties as defined under the Companies Act, 2013 (to the extent applicable).
Introduction & Purpose	<p>The board of directors of the Manager (the “Board”), has adopted this Policy with respect to Related Party Transactions (as defined below) and conflict of interest situations, in terms of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, including any rules, circulars, guidelines or notifications issued thereunder (“REIT Regulations”) and applicable law. The audit committee of the Manager (the “Audit Committee”) may, from time to time, review, and recommend amendments to the Policy to the Board. The Board shall include clear threshold limits that have been approved by the Board and the Policy shall be reviewed once every three years and may be amended from time to time, subject to applicable law.</p> <p>The Policy is adopted to regulate the transactions of the Nexus Select Trust with its Related Parties (as hereinafter defined), based on the laws and regulations applicable to the Nexus Select Trust and best practices.</p> <p>The objective of the Policy is to ensure proper approval, supervision and reporting of the transactions between the Nexus Select Trust and its Related Parties.</p>
Definitions	<p>(a) “Associate” of any person shall have the meaning ascribed to such term under the REIT Regulations.</p> <p>(b) “Audit Committee” or “Committee” means the committee constituted by the Board of Directors of the Manager, from time to time.</p> <p>(c) “Director” means a director on the board of directors of the Manager.</p> <p>(d) “Manager” means Nexus India Retail Management Services Private Limited, the manager of the Trust.</p> <p>(e) “Material Modifications” shall be <i>as per Audit committee update for definition</i>.</p> <p>(f) “Holdco(s)” shall have the meaning ascribed to such term in the REIT Regulations</p> <p>(g) “Issue” means the initial offer of Units (as hereinafter defined) under the REIT Regulations.</p> <p>(h) “SPV” shall have the meaning ascribed to such term in the REIT Regulations.</p> <p>(i) “Related Party”/ “Related Parties” shall have the meaning ascribed to such term under the REIT Regulations</p> <p>(j) “Sponsor” means Wynford Investments Limited.</p> <p>(k) “Trustee” means Axis Trustee Services Limited, the trustee to the Trust.</p>



	<p>(l) “Unit” shall mean an undivided beneficial interest in the REIT, and such Units together represent the entire beneficial interest in the REIT.</p> <p>(m) “Unitholder” means any person holding Units of the Trust.</p>
<p>Policy</p>	<p>In accordance with the REIT Regulations, the Manager will ensure that all future Related Party Transactions shall be:</p> <ul style="list-style-type: none"> (i) on an arm’s length basis; (ii) in accordance with the relevant accounting standards; (iii) in the best interest of the Unitholders; (iv) consistent with the strategy and investment objectives of the Trust; and (v) compliant with applicable law and disclosed to the stock exchanges and the Unitholders in accordance with the listing agreement and the REIT Regulations. <p>A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or 10% of the annual consolidated turnover of the Nexus Select Trust as per its last audited financial statements, whichever is lower.</p> <p>Notwithstanding the above, with effect from July 1, 2019 a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Nexus Select Trust as per its last audited financial statements.</p> <p>With respect to purchase or sale of properties:</p> <ul style="list-style-type: none"> (i) two valuation reports from two different valuers, independent of each other, shall be obtained; (ii) such valuers shall undertake a full valuation of the assets proposed to be purchased or sold as specified under Regulation 21 of the REIT Regulations; and (iii) transactions for purchase of such assets shall be at a price not greater than, and transactions for sale of such assets shall be at a price not lesser than, 110% and 90% of the average of the two independent valuations respectively. <p>In respect of Related Party Transactions:</p> <ul style="list-style-type: none"> (i) adequate disclosures shall be made to the Unitholders and to the stock exchanges; (ii) if: <ul style="list-style-type: none"> a. the total value of all the related party transactions, in a financial year, pertaining to acquisition or sale of properties, whether directly or through the holding companies of the Nexus Select Trust (the “Holdco(s)”) or the SPVs, or investments into securities exceeds 10% of the value of the Trust; or b. the value of the funds borrowed from Related Parties, in a financial year, exceeds 10% of the total consolidated borrowings of the Trust, the Holdco(s) and SPVs;



approval from the Unitholders will be obtained prior to entering into any such subsequent transaction with any related party, in accordance with Regulation 22 of the REIT Regulations. The request for such approval shall be accompanied by a transaction document (under Regulation 19(6) of the REIT Regulations).

Disclosures made to the stock exchanges shall also be published on the website of the Nexus Select Trust.

However:

- a. a 'high value debt listed entity' shall submit such disclosures along with its standalone financial results for the half year
- b. that the Nexus Select Trust shall make such disclosures every six months within 15 days from the date of publication of its standalone and consolidated financial results,
- c. the Nexus Select Trust shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results with effect from April 1, 2023

It is hereby clarified that voting by:

- (i) any Unitholder who is, or may be deemed to be interested in a particular related party transaction; or
- (ii) any Unitholder who is a related party with respect to a related party transaction, as well as the voting by the Associates of such Unitholder shall not be considered on such related party transaction.

With respect to any properties leased to Related Parties to the Nexus Select Trust, if:

- (i) such lease area exceeds 20% of the total area of the underlying assets;
- (ii) value of assets under such lease exceeds 20% of the value of the total underlying assets;
- (iii) rental income obtained from such leased assets exceeds 20% of the value of the rental income of all underlying assets,

a fairness opinion from an independent valuer shall be obtained by the Manager and submitted to the Trustee and approval of Unitholders in accordance with Regulation 22 of the REIT Regulations shall be obtained.

For any related party transaction requiring the approval of the Unitholders or proposed to be undertaken immediately after the Issue, the agreement shall be entered into within six months from the date of closure of the Issue or from the date of approval of Unitholders, as the case may be. However, in case the agreement is not entered into within such period, approval from the Unitholders may be sought for extension for another six months in accordance with Regulation 22 of the REIT Regulations with updated valuation report.

The Manager will ensure that future related party transactions are compliant with the REIT Regulations, applicable accounting standards and applicable laws. Further, the Manager shall convene meetings of the Unitholders in accordance with Regulation 22 of the REIT Regulations, and maintain records pertaining to such meetings in the manner prescribed. The Manager shall also ensure compliance with any additional guidelines issued in this regard by SEBI and other relevant regulatory

	<p>or governmental authorities from time to time.</p> <p>Adequate disclosures of all related party transactions that have been entered into prior to the follow-on offer shall be made in the follow-on offer document.</p> <p>Transaction between two or more REITs with a common manager or sponsor shall be deemed to be related party transactions for each of the REITs and provisions of this regulation shall apply. This shall also apply if the managers or sponsors of the REITs are different entities but are associates.</p> <p>In addition to any other requirement that may be prescribed in terms of the REIT Regulations or other applicable laws, all related party transactions and subsequent material modifications, to be entered into in the future will be reviewed and approved by the Audit Committee.</p> <p>However, the Audit Committee shall define “material modifications” and disclose it as part of the Policy on materiality of related party transactions and on dealing with related party transactions.</p> <p>As a general rule, the Manager must demonstrate to the Audit Committee that future related party transactions satisfy the criteria set out hereunder at the time of recommending the same for the approval of the Audit Committee.</p> <p>The Manager will maintain a register to record all related party transactions entered into by the Trust and the basis on which they are entered into.</p> <p>No Related Party shall retain cash or other rebates from any property agent in consideration for referring transactions in the Nexus Select Trust’s assets to the property agent.</p> <p>The Audit Committee shall review at least quarterly in each financial year the related party transactions pursuant to each of the omnibus approvals given, entered into during such quarter to ascertain that the guidelines and procedures established to monitor the related party transactions have been complied with.</p> <p>The review by the Audit Committee will include the examination of the nature of the transaction and its supporting documents or such other data as may be deemed necessary by the Audit Committee.</p> <p>While considering a related party transaction, any member of the Audit Committee who has a potential interest in any related party transaction will recuse himself or herself and abstain from discussion and voting on the Related Party Transaction.</p>
<p>Disclosure and Reporting</p>	<p>(a) The Manager shall submit to the Trustee, quarterly reports on the activities of the Trust, including the status of compliance with the requirements specified under the REIT Regulations in relation to Related Party Transactions, within such time as may be prescribed in the REIT Regulations, and applicable law.</p> <p>(b) Related Party Transactions shall be disclosed to the National Stock Exchange of India Limited and BSE Limited (together, “Stock Exchanges”) and the Unitholders periodically, in accordance with the REIT Regulations and the agreement to be entered into with the Stock Exchanges in relation to the listing of the Units. The Manager shall adequately disclose the details of any fees or commissions received or to be received by any person or entity which is an</p>



	<p>associate of the Related Party to the stock exchanges.</p> <p>(c) In terms of the REIT Regulations, the annual report to be submitted by the Manager to all Unitholders, electronically or by physical copies, and to the Stock Exchanges within three months from the end of the financial year, shall contain, <i>inter alia</i>, details of all related party transactions, including acquisitions or disposal of any projects, directly or through the Holdco(s) or SPVs during the year, the value of which exceeded 5% of value of the assets of the Trust.</p>
Amendments to the Policy	<p>Notwithstanding the above, this Policy will stand amended to the extent of any change in applicable law, including any amendment to the REIT Regulations, without any action from the Manager or approval of the Unitholders.</p>